

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: NICOR ENERGY, L.L.C.	DOCKET NO. CGP-01-2
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ORDER APPROVING APPLICATION AND ISSUING CERTIFICATE

(Issued July 5, 2001)

On May 29, 2001, Nicor Energy, L.L.C. (Nicor), filed an application for a certificate as a competitive natural gas provider (CNGP) with the Utilities Board (Board). The Board's rules at 199 IAC 2.2(18) and 19.14 establish the filing requirements for the issuance of a certificate. Subrule 19.14(4) states that an applicant will be notified when its application is complete and the 90-day review period begins.

By letter dated June 5, 2001, the Board informed Nicor that there were two deficiencies in the application. On June 11 and 12, 2001, Nicor filed additional information. On June 15, 2001, the Board notified Nicor that the application was complete and the 90-day review period had begun.

Based upon a review of the completed application, the Board finds that Nicor is a Limited Liability Company, incorporated in the state of Delaware in 1997. Nicor has obtained a certificate from the Iowa Secretary of State to do business in Iowa. Subrule 199 IAC 19.14(2) allows CNGPs providing service in Iowa prior to April 25, 2001, to continue providing service during the certification process. Nicor was not providing service in Iowa as of that date and therefore is not authorized to provide

service until the completion of its certification process. Nicor is currently in negotiations to take over the current accounts of an existing natural gas marketer.

Iowa Code § 476.87 requires that a competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board in 199 IAC 2.2(18) and 19.14 established the filing requirements for a CNGP to obtain a certificate. These requirements contain the information determined by the Board to be necessary to review the managerial, technical, and financial abilities of the applicant.

As required, Nicor's application contains the professional background information for its principal managerial and technical personnel. It appears that Nicor's staff possesses extensive knowledge of and experience in various areas of the natural gas industry including marketing of natural gas service.

Nicor submitted its financial information on a confidential basis. Based on a review of that information, the Board finds that Nicor has sufficient financial resources to provide competitive natural gas services. Additionally, Nicor expressed its commitment to comply with all applicable conditions of certification contained in 199 IAC 19.14(5) and (6). Nicor also acknowledged that failure to comply with all applicable conditions may result in the revocation of its certificate. Initially, Nicor plans to provide service to large volume customers only, but may consider expanding its market scope to provide gas to small volume users in the future.

Based on a review of Nicor's application the Board finds that Nicor has reasonably demonstrated that it possesses the appropriate managerial, technical,

and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board finds that Nicor's application complies with the filing requirements of Board rules and that Nicor will be issued a CNGP certificate. The Board finds that no additional conditions should be placed on the certificate.

Concurrently with the issuance of this order the Board will issue a certificate, identified as Certificate No. G-0001, to Nicor. Nicor will be subject to the reporting requirements contained in 199 IAC 19.14(5)"c," once the certificate is issued.

IT IS THEREFORE ORDERED:

- 1 The application for a certificate as a competitive natural gas service provider in the state of Iowa filed by Nicor Energy, L.L.C., is approved
2. Nicor Energy, L.L.C. shall comply with the filing requirements of 199 IAC 19.14(5).
3. Certificate No. G-0001 shall be issued to Nicor Energy, L.L.C.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

Dated at Des Moines, Iowa, this 5th day of July, 2001.